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GOVERNOR

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TTY USERS CALL VIA MD RELAY

May 21, 2003

The Honorable Thomas V. Mike Miller, Jr.
Senate President
State House
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, today I have vetoed Senate Bill 394- *Maryland Efficiency Standards Act*.

Senate Bill 394 establishes minimum energy efficiency standards for certain new products to be sold in Maryland after March 1, 2005 or installed in Maryland after January 1, 2006. These products include lighting fixtures, unit heaters, ceiling fans, traffic signals, and commercial clothes washers.

The Department of Business and Economic Development opposed this legislation during bill hearings.

The United States Department of Energy (DOE) is responsible for setting energy efficiency standards for the entire country. Maryland does not set standards on a *State* level that regulate energy efficiency standards of products sold, manufactured, or installed in the state. The federal government should continue its role of regulating energy standards. Promoting energy efficient products is a laudable goal that I encourage. It is not, however, Maryland's prerogative to force energy efficient products on consumers, many of whom cannot afford them.

The ENERGY STAR program, a federal program that identifies and promotes energy efficient products to save energy and reduce greenhouse gas emissions, has fostered a successful partnership between the DOE and the Environmental Protection Agency. Through federal standards and programs such as ENERGY STAR, people around the country can conserve energy and achieve cost saving energy efficiency.

This legislation will dramatically increase the costs of products for various businesses in Maryland. These costs will be passed along to consumers; often those who can least afford the increases. For example, higher energy efficiency standards for commercial clothes washers will cause the prices to increase at

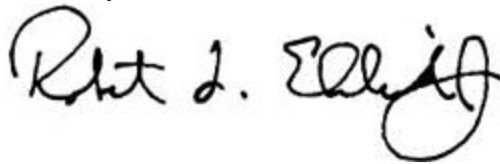
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multi-housing (college dormitories, elderly housing, etc.) and coin-operated laundry facilities. This will have a disproportionate impact on poorer subdivisions around the State. Also, consumers looking to purchase ceiling fans will have no choice but to purchase the more expensive fans with higher efficiency standards. Consumers currently have an option of purchasing these fans.

Finally, our surrounding states do not have these standards. By adopting this legislation, Maryland would risk losing businesses to its neighboring states that have friendlier business climates.

For the above stated reasons, I have vetoed Senate Bill 394.

Sincerely,

A handwritten signature in black ink, reading "Robert L. Ehrlich, Jr." in a cursive style.

Robert L. Ehrlich, Jr.
Governor